

FRANK R. ELLERBE, III

DIRECT 803 227.1112 DIRECT FAX 803 744.1556

fellerbe@robinsongray.com

July 19, 2021

## **VIA ELECTRONIC FILING**

Litigation + Business

Jocelyn Boyd, Chief Clerk/Administrator Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, SC 29210

Re: Duke Energy Carolinas, LLC's and Duke Energy Progress, LLC's

Avoided Cost Proceeding Pursuant to S.C. Code Ann. Section 58-41-20(A)

Docket Nos: 2021-89-E and 2021-90-E

Dear Ms. Boyd:

Pursuant to Order No. 2021-488 approving the Public Service Commission of South Carolina's (the "Commission") procedural and administrative schedule for consideration of independent third party consultants to be engaged pursuant to S.C. Code Ann. § 58-41-20(I) of Act 62 to advise the Commission in the above-captioned dockets, Duke Energy Carolinas, LLC and Duke Energy Progress, LLC (collectively, the "Companies") are hereby providing the Commission with proposed questions for the consultants being considered by the Commission.

Act 62 authorizes the Commission to engage "a qualified independent third party to submit a report that includes the third party's independently derived conclusions as to that third party's opinion of each utility's calculation of avoided costs for purposes of proceedings conducted pursuant to this section." S.C. Code Ann. § 58-41-20(I). The Companies present the following questions to inform the Commission's consideration of prospective consultants to meet the requirements of this Section:

## Questions Regarding Independence under Act 62

- 1. Have you or your employer served in an advisory or consulting capacity or received compensation from any of the following individuals or entities? If so, please provide details surrounding the nature of the engagement.
- a. Any party to this docket;
- b. An affiliate to any party to this docket;



- c. Any member company of the Carolinas Clean Energy Business Association:
- d. Any industry or trade association representing electric utilities;
- e. Any industry or trade association representing the solar industry;
- f. Any state agency, industry or trade association representing the using and consuming public;
- g. Any industry or trade association representing environmental advocates; and
- h. Any regulatory utility commissions.
- 2. Have you or your firm previously filed testimony or advocated for a party in a proceeding relating to Duke Energy Carolinas, LLC's and/or Duke Energy Progress, LLC's implementation of the Public Utility Regulatory Policies Act of 1978 ("PURPA") in either South Carolina or North Carolina? If yes, please identify the commission, docket number of the proceeding, date of testimony filed and party represented.
- 3. Have you or your employer adopted or advocated for any positions in any public forum on the issues expected to arise in this proceeding? If so, how would this impact your ability to advise the Commission independent of such previous positions?
- 4. Please describe your understanding of the ex parte prohibition set forth in S.C. Code Ann. § 58-41-20(I) and how you expect to comply with those prohibitions while carrying out your duties as an independent third-party consultant.

## Questions Regarding Subject Matter Expertise with PURPA

- 5. Please describe your experience providing advisory or consulting services or testifying as an expert witness in matters or proceedings relating to PURPA.
- 6. Please explain the process you would follow to independently derive conclusions regarding the calculation of each electrical utility's calculation of avoided costs and what experience you have developing a report on the calculations of avoided costs under PURPA, as contemplated in S.C. Code Ann. § 58-41-20(I)?
- 7. Please describe your understanding and experience either utilizing or analyzing methodologies to implement the avoided cost requirements of PURPA. Do you have specific familiarity with the peaker methodology, as described in the PURPA Title II Compliance Manual published by the National Association of Regulatory Utility Commissioners ("NARUC"), the Edison Electric Institute, and other industry organizations in 2014.



## Litigation + Business

- 8. Please describe your understanding of ancillary services requirements and your experience with studying, planning for, and/or maintaining the reliability of a complex transmission and distribution system.
- 9. Please describe your experience with assessing regulating reserve requirements on a utility's system.
- 10. To the extent avoided cost calculations require a detailed understanding of power system modeling, do you have any experience running or supervising utility system production cost models used by utilities across the country for integrated resource planning and avoided cost calculations? If so, please describe which models you have experience with and in what capacity did vou utilize these models?
- 11. Do you have any experience modeling or studying the South Carolina power system?
- 12. What is your general understanding of the customer demand profile in South Carolina and the generation resource mix that serves South Carolina?
- 13. What is your experience with regulated utilities' Integrated Resource Planning ("IRP") across the country? Have you ever filed testimony or advocated for a party in an IRP proceeding before a state regulatory commission? If so, please provide the commission, docket number, and party represented.

The Companies appreciate the opportunity to provide these proposed questions.

Yours truly,

Frank R. Ellerbe, III

FRE:tch

c via email: Parties of Record

Heather Shirley Smith, Deputy General Counsel

E. Brett Breitschwerdt, Esquire